



**STATE OF NEVADA  
GAMING CONTROL BOARD**

**CPA 6A MICS COMPLIANCE REPORTING  
REQUIREMENTS**

**November 1, 1997**

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GAMING CONTROL BOARD

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EFFECTIVE: NOVEMBER 1, 1997

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## GUIDELINES

### ***Applicability***

These guidelines apply to the performance of the CPA 6A MICS Compliance Reporting Requirements for each licensee defined as a "6A licensee" pursuant to Regulation 6A.010(9). Generally, a 6A licensee has annual gross gaming revenues of \$10 million or more and table games statistical win of \$2 million or more during the same time frame. Additionally, the Chairman may designate 6A licensee status.

The knowledge necessary for determining compliance includes an understanding of Regulation 6A and the 6A MICS. Both of these publications are available from the Gaming Control Board. The Audit Division also publishes newsletters in which we provide answers to commonly asked questions regarding Regulation 6A and the 6A MICS. Newsletter #5 dated April 1, 1997 addresses questions associated with Version 3 of the Currency Transaction Reporting section of the Minimum Internal Control Standards (6A MICS) as well as Regulation 6A. The newsletters are available from the Board and should prove to be invaluable in assisting licensees and CPA's.

### ***Required Procedures***

In connection with the issuance of a CPA Compliance Report pursuant to Regulation 6A.060(2) the CPA is required to:

1. Compare the licensee's submitted system of internal control in its entirety to the provisions of Regulation 6A and to the 6A MICS to ascertain whether the criteria set forth in the regulation, standards or approved variations are adequately addressed. The submitted system must contain an accurate, detailed narrative description of the licensee's procedures in effect that demonstrates compliance with Regulation 6A and the 6A MICS.

Licensee's personnel may be used to cross-reference the internal control system to Regulation 6A and the 6A MICS, as long as the CPA performs a review of the licensee's work and assumes complete responsibility for the proper completion of this requirement.

2. The CPA must perform the following:
  - a. Semi-annual compliance walk-throughs of established procedures in effect for all departments using the applicable CPA 6A MICS Compliance Checklist by performing walk-throughs, observations and compliance testing.

**Note: Photocopies of the checklists provided by the Board may be used. Additionally, if your checklists are generated from our disks or your computer files, the format must be identical to that issued by the Board.**

No CPA walk-throughs are required to be performed in branch offices; however, these procedures are recommended when an office has more than \$1 million of cash

transactions (both cash-in and cash-out transactions combined) in the preceding business year. Procedures for compliance walk-throughs must be performed on two

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different shifts (rotated among departments/contacts) and include interviews with employees who handle cash transactions, examination of available 6A documentation, and general observations. Sufficient procedures will be performed to address compliance with the following requirements:

- 1) Prohibited transactions as described in Regulation 6A.020 for all monitoring areas and structured transactions described in Regulation 6A.090.
  - 2) Identification and reporting procedures for transactions described by Regulation 6A.030(1) and aggregated transactions described by Regulation 6A.040 that may occur as the result of single, multiple and/or dissimilar transactions.
  - 3) Regulations 6A.020(7) and 6A.050(1) and (2) for all casino departments that accept front money, safekeeping, or telephone accounts.
  - 4) The recordkeeping requirements of Regulations 6A.050 and 6A.080.
- b. Perform unannounced observations (requiring a minimum total of four hours per quarter) of the casino cage, pit, slots, and sports book writer/cage areas. The observations will be concentrated during those hours of the day/month/quarter for which reportable or prohibited transactions are most likely to occur and be observed and will be directed towards those reportable or prohibited transactions that would not be detected in a review of casino records generated independent of Regulation 6A.

For purposes of these procedures, "unannounced" means that no officers, directors, or employees are given advance information regarding the dates or times of such observations. However, the CPA may identify himself upon entering the licensee's premises.

- c. For a minimum of four days per year, examine all casino records independent of Regulation 6A (e.g., licensee's safekeeping/front money records, cage/vault documentation, credit play records, race/sports tickets for write and payouts, cash receipts/disbursements, bingo records, keno tickets, slot jackpot payout slips, etc.) as well as Regulation 6A-related documents (e.g., MTL's, CTRC-N's, etc.). The examination is to be performed on documentation separate from any examined in conjunction with the walk-through process to determine whether:
- 1) CTRC-N's were completed and filed for all reportable transactions (i.e., multiple, similar and dissimilar);
  - 2) Information contained within the CTRC-N's was complete; and

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3) Prohibited transactions (Regulation 6A.020) have/have not occurred.

To reiterate, the minimum sample of each type of document to be examined will include all those generated for four days per year. Each day will be in a different, non-consecutive month.

- d. Review the established training programs, suspicious activity oversight, and the compliance specialist program to ensure continuing compliance with the requirements of Regulation 6A.
- e. Review the workpapers prepared by the internal auditors and their reports to management for quarterly Regulation 6A reviews of all departments, notification to management, and corrective action on any exceptions noted.

The above procedures are the minimum procedures that must be performed. Upon written notice by the Board Chairman or his designee, other procedures may be required. The licensee shall engage the CPA to perform such procedures and include the findings in the CPA's compliance report. The Board will cite licensees for violations of Regulation 6A.060(2) where the CPA's have not complied with the Guidelines, so that the problems may be rectified during future engagements.

Upon written request by a licensee, the Chairman or his designee may provide written approval for the CPA to waive the performance of one or more areas of review for a specific year due to the occurrence of unusual circumstances or for good reason. Such approval is at the sole discretion of the Board. For new licensees that have been in operation for three months or less by the end of their business year, performance of these procedures is not required.

These Guidelines are not intended to limit the CPA to the performance of only the above-specified procedures. If additional procedures are performed (e.g., expanded document testing) the results should be included in their report.

***Reliance on Internal Auditors***

The CPA may rely on the work of an internal auditor, to the extent allowed by the professional standards, for the performance of the required procedures specified in items related to items 2(a) through (d) above, and for the completion of the checklists as it relates to those procedures, if the internal audit department meets all of the following criteria:

- 1. The internal audit department reports directly to management/ownership (i.e., individuals who are independent of departments subject to audit).
- 2. The individual who is directly responsible for supervising and managing the internal audit function must be a CIA or CPA with a minimum of two years auditing experience.

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3. At least 50% of the internal audit staff must possess a four-year degree.
4. The internal audit department operates with audit programs which, at a minimum, address Regulation 6A and the 6A MICS. Additionally, the department properly documents the work performed, the conclusions reached, and the resolution of all exceptions.

The CPA will evaluate the internal audit department's compliance with the above criteria and document the results in their workpapers. Additionally, the CPA shall issue a letter to the Board, (either through the licensee or directly with the concurrence of the licensee), as to the internal audit department's compliance with the preceding criteria and the extent of reliance to be placed on the work of the internal audit department ("internal audit reliance letter"). The letter must be submitted no later than 90 days following the beginning of each year under audit. The Chairman or his designee, in his sole discretion and upon notice to a licensee, may refuse to accept or may limit the extent of the CPA's reliance on the work of an internal audit department for purposes of Regulation 6A.060(2); written notification will be provided to the CPA within 30 days if such action is to be taken. If the CPA does not anticipate relying on the internal audit department, no Board notification is necessary. In those instances where the licensee has changed CPA's and the successor wants to rely on the internal audit department, the 90-day notice requirement can be waived. Such approval is at the sole discretion of the Board. The request to rely on internal audit may be combined with the internal audit reliance letter submitted for the purposes of Regulation 6.090(9).

In certain limited circumstances the internal audit department may not satisfy one or more of the specified criteria, but the CPA may believe the quality of the department is such that reliance should be placed on the work of the internal auditors. In such circumstances the CPA shall submit a written request to the Chairman (through the licensee or directly with the concurrence of the licensee) for approval of an internal audit department that does not meet the above criteria ("internal audit exemption letter"). The letter must describe in detail why the internal audit department should be relied upon. The letter must be submitted no later than 90 days following the beginning of the year under audit. The Chairman or his designee will evaluate the request and issue a written determination. For purposes of Regulation 6A.060(2), the CPA should not place any reliance on an internal audit department that doesn't meet the established criteria until such time as a written determination has been received. Once an exemption has been granted, it is necessary to notify the Board if the conditions of the exemption have changed or if the internal audit department will no longer be relied upon. An internal audit exemption letter does not have to be submitted annually if the department remains unchanged from when the exemption approval was granted. However, an internal audit reliance letter will need to be filed annually confirming that no changes in the internal audit department had occurred since the granting of the exemption. The request for an exemption may be combined with the internal audit exemption letter submitted for the purposes of Regulation 6.090(9).

If the CPA is engaged to perform both the internal audit procedures required by the Minimum Internal Control Standards and the procedures required by Regulation 6A.060(2), the compliance walk-through procedures performed need only meet the internal audit requirements of the 6A

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MICS (quarterly). The semi-annual compliance walk-throughs described at 2(a) above do not have to be repeated. The performance of the procedures related to items 2(a) through (d) above are satisfied by the internal audit 6A MICS and do not have to be repeated. The same policy is applicable if the CPA relies on a qualified internal audit department. **ALL** internal audit procedures must be performed (either by someone independent of the functions being examined, a separate internal audit department, or a CPA).

If internal audit personnel perform any required functions (e.g., training, compliance specialist, etc.) the CPA may not rely upon the internal audit department to evaluate those areas. Finally, in some instances another CPA may perform the licensee's internal audit function. No reliance letter is required if the CPA is licensed to practice in the state of Nevada.

### ***Report Format***

The Gaming Control Board has concluded that the performance of these agreed-upon procedures is an attestation engagement in which the CPA applies such agreed-upon procedures to a licensee's assertion that the gaming operation and the operation's written internal control system are in compliance with Regulation 6A and the 6A MICS. Accordingly, the Statements on Standards for Attestation Engagements (SSAE's) issued by the Auditing Standards Board are applicable. SSAE #3 ("Compliance Attestation") and #4 ("Agreed-Upon Procedures Engagements") appear to provide current, pertinent guidance regarding this specific type of engagement, and the sample report formats included within those standards may be used, as appropriate, in the preparation of the CPA's MICS compliance report. The Board will accept other report formats if they contain all of the information discussed below.

The Regulation 6A.060(2) compliance report should identify the procedures performed and whether or not any exceptions were noted. The report must describe all instances of procedural noncompliance with Regulation 6A, the 6A MICS or approved variations, and the licensee's written system of internal control, and all instances where the written system does not comply with the 6A MICS. Pursuant to Regulation 6A.060(2) each instance of noncompliance discovered by the internal audit department must also be addressed by the CPA's compliance report. This can be accomplished by itemizing each exception in the body of the report or by a general reference to the internal audit reports which must be attached to the CPA's report. If copies of the internal audit reports are attached, they should contain the individual instances of noncompliance noted by the internal audit department. Management responses are required for all noted instances of noncompliance found by both the CPA and the internal audit department. The Regulation 6A.060(2) compliance report may be combined with the Regulation 6.090(9) CPA compliance report.

Material internal control deficiencies in areas that are not addressed by Regulation 6A or the 6A MICS should be disclosed in a management letter to the licensee and not in the Regulation 6A.060(2) report.

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***Report Submission Requirements***

Two copies of the CPA's 6A MICS compliance report and the licensee's statement addressing areas of noted noncompliance are required to be submitted to the Board no later than 150 days after the licensee's business year pursuant to Regulation 6A.060(2). This report should be provided in addition to any reports required to be submitted to the Board pursuant to Regulation 6.080(8).

It is recommended that the CPA maintain the workpapers supporting the report for a minimum of five years. The Board may request access to these workpapers, through the licensee, pursuant to Regulation 6.080(9).

Please contact the Board's Audit Division if you require clarification of the preceding guidelines.



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**GAMES/CAGE DEPARTMENTS**

**Client** \_\_\_\_\_ **Audit** \_\_\_\_\_ **Prepared**  
**Name:** \_\_\_\_\_ **Period:** \_\_\_\_\_ **By:** \_\_\_\_\_

NGC Regulation 6A.060(2) requires the CPA to use “criteria established by the chairman” in determining whether a licensee is in compliance with Regulation 6A and the Currency Transaction Reporting Minimum Internal Control Standards (6A MICS). This checklist is to be used by the CPA in determining whether the licensee’s gaming and cage operations are in compliance with those requirements.

**Indicate department (Table Games, Card Games, Slots, Race/Sports Book, Keno, Bingo, Casino Cage, Race/Sports Book Cage, etc.) reviewed in box below:**

--

**Indicate licensee personnel contacted:**

Date of Inquiry	Person Interviewed	Position

For those questions referring to records/documentation (denoted by underlined question numbers in bold print), examine a completed document for compliance. Indicate (by tickmark) whether the procedures were confirmed via examination/review of documentation, through inquiry of licensee personnel or via observation of procedures. Tickmarks used:

\_\_\_\_\_ Confirmed via examination/review  
\_\_\_\_\_ Confirmed via inquiry  
\_\_\_\_\_ Confirmed via observation

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***General Instructions***

If the cage department consists of more than one cashiers cage, complete a checklist for each cage to evaluate the licensee's compliance with Regulation 6A and the 6A MICS.

For any Board-authorized computer applications, alternate documentation and/or procedures which achieve the objectives of the 6A MICS will be acceptable. Such alternate documentation and/or procedures must be described in detail as to their acceptability.

Comments by the licensee's personnel such as "this transaction can never happen" will be considered an acceptable response when logical reasons are presented and no violation of Regulation 6A results. Indicate reasons throughout this checklist, where applicable.

In the pit, pit supervisory personnel are considered the individuals handling the transaction.

<u>Yes</u>	<u>No</u>	<u>W/P Ref.</u>
------------	-----------	---------------------

***General Procedures***

- |   |       |       |       |
|---|-------|-------|-------|
| 1. Is the cage a satellite for Comcheck, Western Union, etc.? <b>If yes, describe the specific satellite operation.</b>   | _____ | _____ | _____ |
| 2. Relating to the previous question, when the cage department performs cash transactions with a patron, do cage personnel comply with the prohibited, recording and reporting requirements of Regulation 6A and the 6A MICS? | _____ | _____ | _____ |
| 3. If the licensee posts a sign in the casino, or gives a pamphlet to patrons, does it describe prohibited transactions and/or reportable transactions?   | _____ | _____ | _____ |
| <u>4.</u> Relating to the previous question, is the information provided to the patron in compliance with Regulation 6A.090?  | _____ | _____ | _____ |

***Prohibited Transactions***

- |   |       |       |       |
|---|-------|-------|-------|
| 5. Is the exchange of cash for cash in any transaction in which the amount of the exchange is more than \$3,000 prohibited? | _____ | _____ | _____ |
|---|-------|-------|-------|

**Note: The definition of cash for this question does not include**

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	<u>Yes</u>	<u>No</u>	<u>W/P Ref.</u>
<b>coin but does include foreign currency.</b>			
6. Do cashiers (including race/sports books and slots) prohibit the exchange of a patron's cash for a check or other negotiable instrument, or combination thereof, in an amount greater than \$3,000?	_____	_____	_____
7. Do cashiers (including race/sports books) prohibit the exchange of a patron's cash for any transfer by electronic, wire, or other method, or combination of methods, in an amount greater than \$3,000?	_____	_____	_____
8. Are cashiers (including race and sports books) aware that it is a prohibited transaction to accept a cash safekeeping or front money deposit and then refund (in excess of \$3,000) the deposit with a check or different denominations and number of bills?	_____	_____	_____

***Multiple Transaction Log (MTL)***

<b><u>9.</u></b> Is an MTL maintained in each monitoring area for purposes of recording information relative to cash transactions? <b>State the monitoring area(s).</b>	_____	_____	_____
10. Are such areas established at:			
a. Each single specific cage?	_____	_____	_____
b. All race and sports book cages?	_____	_____	_____
c. The entire writer/seller area at the race and sports book?	_____	_____	_____
d. The entire writer/seller area in the keno department?	_____	_____	_____
e. The entire writer/seller area in the bingo department?	_____	_____	_____
f. The table games department at each single specific gaming pit or grouping of tables supervised by one individual?	_____	_____	_____
g. The card games department at each single specific gaming pit or grouping of tables supervised by one individual?	_____	_____	_____
h. The slot department at least at each high denomination (i.e., ≥ \$25) slot area?	_____	_____	_____

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	<u>Yes</u>	<u>No</u>	<u>W/P Ref.</u>
<b>11.</b> Is only one MTL used at a time, per monitoring area, for each designated 24-hour period?	_____	_____	_____
<b>12.</b> Is each completed MTL retained in chronological order for a minimum of five years?	_____	_____	_____
<b>13.</b> Is each completed MTL readily available for examination by appropriate regulatory and law enforcement agencies?	_____	_____	_____
<b>14.</b> Does the MTL contain the following information for each loggable transaction:			
a. A description of the patron (or agent) which includes identifiers such as age, sex, race, eye color, hair, weight, height and attire?	_____	_____	_____
b. Patron's name and agent's name, if known?	_____	_____	_____
c. Table number, station number, window number or other identification of the location where the transaction occurred?	_____	_____	_____
d. Time and date of the transaction?	_____	_____	_____
e. Type of transaction as delineated in Regulation 6A.030(1)?	_____	_____	_____
f. Dollar amount of the transaction or United States dollar equivalent?	_____	_____	_____
g. The amount and type of foreign currency for foreign currency transactions?	_____	_____	_____
h. Signature of the handler of each transaction?	_____	_____	_____
<b>15.</b> If a cage or slot employee sells coin to, or purchases coin from, a patron for a single exchange in excess of \$3,000 during the department's designated 24-hour period, does the employee:			
a. Log the transaction on the MTL?	_____	_____	_____
b. Complete the identification, recording and reporting requirements described in Regulation 6A.030 for an amount greater than \$10,000?	_____	_____	_____

**Note: A licensee can sell coin to, or purchase coin from, a**

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	<u>Yes</u>	<u>No</u>	<u>W/P</u> <u>Ref.</u>
<b>patron if the identification, recordkeeping and reporting requirements are completed.</b>			
16. Is a period of time set forth for which each department has designated an established cut-off point for the monitoring of transactions over a 24-hour period?	_____	_____	_____
17. Within each department, do the MTL's have the same cut-off time?	_____	_____	_____
<b><u>18.</u></b> Are such monitoring areas and cut-off times delineated within the system of internal control submitted to the Board and consistent with the established designated 24-hour period used in monitoring areas?	_____	_____	_____
19. To make a diligent effort to prevent the circumvention of the prohibitions of Regulation 6A.020 or the reporting and recordkeeping requirements of Regulation 6A.030 by multiple transactions, dissimilar cash-in transactions or dissimilar cash-out transactions, employees in each monitoring area:			
a. For transactions that they handle, record loggable transactions on MTL's and include the information described in question 14 for the transaction?	_____	_____	_____
b. Record loggable transactions immediately after their occurrence?	_____	_____	_____
c. At the beginning of each shift, review the MTL for the applicable area of responsibility in order to become familiar with descriptions of individuals whose transactions are being monitored?	_____	_____	_____
d. Notify other personnel in the same monitoring area that the monitoring process has been initiated for a particular patron?	_____	_____	_____
e. During the designated 24-hour period, monitor a patron's transactions for possible supplemental transactions and reportable transactions?	_____	_____	_____
f. Record on MTL's any and each succeeding loggable			

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	<u>Yes</u>	<u>No</u>	<u>W/P</u> <u>Ref.</u>
transaction for individuals being monitored including a single cash transaction exceeding \$10,000?	_____	_____	_____
20. At the conclusion of the designated 24-hour period, is:			
a. A new MTL started?	_____	_____	_____
b. The recording of information on the previous MTL ceased?	_____	_____	_____
c. An indication as to the end of the designated 24-hour period recorded on the MTL?	_____	_____	_____
<b><u>21.</u></b> Is an MTL completed for each designated 24-hour period for each monitoring area, regardless of whether any loggable transactions have occurred?	_____	_____	_____
<b><u>22.</u></b> If no loggable transactions were observed for the designated 24-hour period, is an indication such as "no action" recorded on the MTL?	_____	_____	_____
23. On a routine basis, but not to be longer than 24 hours after the end of a designated 24-hour period, are MTL's submitted to the accounting department?	_____	_____	_____
<b><u>24.</u></b> Are the following transaction types monitored/recorded on the MTL:			
a. Cash-in transactions where an employee accepts or receives more than \$10,000 in cash from a patron in any transaction:			
1) As any table game wager where the patron loses the wager?	_____	_____	_____
2) As any wager which is not a table game wager?	_____	_____	_____
3) As an exchange for its chips, tokens, or other gaming instrumentalities?	_____	_____	_____
4) As a deposit for gaming or safekeeping purposes, including a deposit to a race/sports book account, if the licensee has actual knowledge of the amount of cash deposited?	_____	_____	_____
5) As repayment of credit previously extended?	_____	_____	_____

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	<u>Yes</u>	<u>No</u>	<u>W/P Ref.</u>
6) Any other cash-in transaction not specifically addressed?	_____	_____	_____
b. Cash-out transactions where an employee disburses more than \$10,000 in cash to a patron in any transaction:			
1) As a redemption of tokens, chips or other gaming instrumentalities?	_____	_____	_____
2) As a payment of winning wager(s)?	_____	_____	_____
3) As a withdrawal of a deposit for gaming purposes, including a withdrawal from a race/sports book account, if the licensee has actual knowledge of the amount of cash withdrawn?	_____	_____	_____
4) As a credit advance (including markers)?	_____	_____	_____
5) As a payment of tournament or contest winnings or a promotional payout?	_____	_____	_____
6) As an exchange for a check or other negotiable instrument?	_____	_____	_____
7) As an exchange for an electronic, wire or other transfer of funds?	_____	_____	_____
8) For travel expenses or other complimentary expenses or for a distribution of a gaming incentive such as settlement of a gaming debt, front money discount, or other similar distribution based upon gaming activity?	_____	_____	_____
9) Any other cash-out transaction not specifically addressed?	_____	_____	_____
<b>25.</b> Does the MTL include the classification type of cash transaction identified in the prior question?	_____	_____	_____
<b>26.</b> Does an employee monitor and record a patron's loggable cash transaction on an MTL when they have actual <u>knowledge</u> that a patron exceeded the \$3,000 loggable transaction threshold by completing same type transactions in amounts of \$3,000 and less?	_____	_____	_____

**Note: This requirement should be discussed with the employee to determine whether in the execution of his**

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	<u>Yes</u>	<u>No</u>	<u>W/P Ref.</u>
<b>or her normal job duties the employee is required to access information (or has accessed information) that would provide knowledge of lesser amounts that may require aggregation. <u>Indicate the records required to be examined that would provide the employee with such knowledge.</u></b>			
<b><i>Player Rating Records</i></b>			
27. If player rating records are used as a source document for documenting cash activity and for the purposes of complying with Regulation 6A, are they retained for a period of five years?	_____	_____	_____
<b>28.</b> If summary documents are retained in lieu of original player rating records, is the following complied with:			
<b>a.</b> The summary documents include, at a minimum on a daily basis, all of the cash transaction information recorded on the original player rating records?	_____	_____	_____
b. The original player rating records are retained for a minimum of seven days?	_____	_____	_____
c. Both original and summary player rating records are retained, if possible, when the records are used as support for a SARC?	_____	_____	_____

***Gaming Department Procedures***

**Note:** The questions in this section apply to all gaming departments, and other departments such as security, cage, and branch offices that are responsible for compliance with Regulation 6A.

***Job Duties and Responsibilities***

29. Do the job duties and responsibilities of officers, employees and agents who are able to conduct, record or approve loggable or reportable transactions, or who are able to conduct prohibited transactions, include the following as applicable to their position:



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	<u>Yes</u>	<u>No</u>	<u>W/P Ref.</u>
a. Ensuring that prohibited transactions pursuant to Regulation 6A.020 do not occur?	_____	_____	_____
b. Properly recording all transactions that fall under the criteria of Regulation 6A on the appropriate forms and logs and in the manner prescribed by the 6A MICS?	_____	_____	_____
c. Making a diligent effort to prevent the circumvention of the prohibitions of Regulation 6A.020 or the reporting and recordkeeping requirements of Regulation 6A.030 by multiple transactions within a designated 24-hour period?	_____	_____	_____
d. Being familiar with what is considered a suspicious transaction, and making a diligent effort to identify and report suspicious transactions?	_____	_____	_____
e. Having knowledge of Regulation 6A and the 6A MICS relevant to their position?	_____	_____	_____

**Note: For Regulation 6A purposes, an independent agent pursuant to Regulation 25, or another person who is not an employee or officer of the licensee or a branch office, is considered an agent of the patron, rather than of the licensee, when party to a transaction for the benefit of another person. Employees or officers, when performing tasks in the performance of their duties on behalf of a patron, are considered the handler of the transaction rather than an agent of the patron. Employees or officers, when conducting a transaction not related to the performance of their duties but rather for their own benefit, are considered a patron for a transaction (or an agent if the transaction was for another person's benefit).**

**CTRC-N**

- |  |       |       |       |
|--|-------|-------|-------|
| 30. Are CTRC-N forms available to all departments which may encounter reportable transactions?                                     | _____ | _____ | _____ |
| 31. Subsequent to obtaining assurance that the reportable transaction or supplemental transaction can be properly recorded, is all |       |       |       |

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CPA 6A MICS COMPLIANCE CHECKLIST

**GAMES/CAGE DEPARTMENTS**

	<u>Yes</u>	<u>No</u>	<u>W/P</u> <u>Ref.</u>
required information entered on the CTRC-N in accordance with Regulation 6A.030 and using "NONE", "N/A" for not applicable, "REFUSED", and "U/A" for unavailable as appropriate to complete the report?	_____	_____	_____
<b>Note 1: If a patron refuses to provide a social security number and the number is not available from the 6A licensee's records or the patron does not have a social security number, indicate "REFUSED" or "NONE," as applicable, in the social security number box on the report.</b>			
<b>Note 2: If a patron refuses to provide a permanent address and the address is not available from the 6A licensee's records, a patron does not have a permanent address, or will only provide a post office box number for an address, indicate "REFUSED," "NONE" or the post office box number, as applicable, in the address box on the report.</b>			
<b>Note 3: If an agent is involved in a transaction and the patron (other than an organization) was not identified or a credential was not available from the licensee's records, indicate "U/A" in the patron method box on the report.</b>			
<b>Note 4: If, in error, a transaction is completed for a patron without first obtaining an appropriate identification credential from the patron or the patron is no longer available to ask for a credential, indicate "REFUSED" or "U/A," as applicable, in the patron method box on the report.</b>			
<b><u>32.</u></b> Is a copy of each completed CTRC-N retained in chronological order?	_____	_____	_____
<b><u>33.</u></b> Is a copy of each completed CTRC-N readily available for examination by appropriate regulatory and law enforcement agencies?	_____	_____	_____

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**GAMES/CAGE DEPARTMENTS**

	<u>Yes</u>	<u>No</u>	<u>W/P</u> <u>Ref.</u>
<b>CTRC-N Procedures</b>			
34. When a patron attempts to complete a transaction that would cause the patron's transactions to exceed the \$10,000 threshold for either a multiple same type transaction, a single transaction or a dissimilar transaction, to determine reportability in a monitoring area, does the individual handling the transaction:			
a. Initiate the procedures for the reporting requirements of Regulation 6A?	_____	_____	_____
b. If the patron decides to proceed with the transaction, then prior to completing the transaction does the employee:			
1) Obtain the patron's name and identification credential?	_____	_____	_____
<b>Note: An identification credential can be a driver's license, passport, non-resident alien identification card, other reliable government issued identification credential, or other picture identification credential normally acceptable as a means of identification when cashing checks.</b>			
2) Obtain, or reasonably attempt to obtain, the patron's permanent address, social security (or EIN) number?	_____	_____	_____
3) Examine the identification credential, including the expiration date, to verify the patron's identity and to the extent possible, the information obtained in 1) and 2) above?	_____	_____	_____
c. If the patron decides to cancel the transaction, is a CTRC-N not prepared and is the transaction terminated?	_____	_____	_____
<b>Note: Question 34 also applies to an agent of the patron.</b>			
35. If a driver's license cannot be obtained, is a passport, non-resident alien identification card, other government issued identification credential or other picture identification credential normally acceptable as a means of identification when cashing checks obtained?	_____	_____	_____
36. As an option to requesting the necessary identification and other			

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**GAMES/CAGE DEPARTMENTS**

	<u>Yes</u>	<u>No</u>	<u>W/P</u> <u>Ref.</u>
data from a <u>known patron</u> as required in question 34, if information on file is used, then:			
a. Does the handler of the transaction know the patron?	_____	_____	_____
b. Was the patron's name and appropriate identification credential previously obtained from the patron?	_____	_____	_____
c. Is the information on file to properly complete a CTRC-N?	_____	_____	_____
d. Is the information on file correct and current?	_____	_____	_____
e. Is the patron information on file periodically updated as follows:			
1) Are original identification credentials examined at least every three years?	_____	_____	_____
2) Is documentation of the examinations included in the information on file?	_____	_____	_____
3) Is the expiration dates of identification credentials included in the information on file?	_____	_____	_____
f. Is the transaction date prior to the identification's expiration date on file?	_____	_____	_____
 <b><u>37.</u></b> Does the CTRC-N indicate "known patron-information on file" as the method of verification and include the original method of identification, including type and number of the identification credential originally examined?	_____	_____	_____
 <b>Note: Question 37 also applies to an agent of the patron.</b>			
 <b><u>38.</u></b> Is a CTRC-N completed when a single transaction exceeds \$10,000?	_____	_____	_____
 39. Has the table games department developed an adequate procedure in monitoring a patron's cash-in transactions for one single, continuous appearance at one table to report a dissimilar cash-in transaction that exceeds \$10,000?	_____	_____	_____

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**GAMES/CAGE DEPARTMENTS**

	<u>Yes</u>	<u>No</u>	<u>W/P Ref.</u>
<b>40.</b> Is a CTRC-N completed when a dissimilar cash-in transaction exceeding \$10,000 occurs during a patron's one single, continuous appearance at a location (table, window, etc.)?	_____	_____	_____
<b>41.</b> Is a CTRC-N completed when a dissimilar cash-out transaction exceeding \$10,000 occurs during a patron's one single, continuous appearance at a location (table, window, etc.)?	_____	_____	_____
<b>42.</b> Is a CTRC-N completed when the aggregated same type transactions exceed the \$10,000 threshold?	_____	_____	_____
43. Do personnel complete the identification and reporting procedures described in Regulation 6A.030 for any supplemental transaction?	_____	_____	_____
44. Before completing the last transaction within a series of transactions where the total of a patron's transactions will exceed the \$10,000 threshold of a reportable transaction (i.e., the series of transactions will become a multiple transaction, a dissimilar cash-in transaction or a dissimilar cash-out transaction if the transaction is completed), are the identification requirements in questions 34 or 36 applied?	_____	_____	_____
45. Once the last transaction is completed and a reportable transaction has occurred, are the reporting requirements of Regulation 6A.030 applied?	_____	_____	_____
46. For a single cash table game wager of more than \$10,000, are the identification requirements in either question 34 or 36 complied with before accepting the wager?	_____	_____	_____
47. In any situation where the identification requirements in either question 34 or 36 cannot be completed, is the transaction refused?	_____	_____	_____
48. Relating to question 47, in the case of a dispute involving the payment of winnings or the redemption of chips, is the casino shift manager or another individual of authority notified and, if the licensee and the patron are unable to resolve the dispute regarding the payment of alleged winnings to the patron's satisfaction, does the licensee immediately notify the Board?	_____	_____	_____
49. In any situation where identification requirements are not complied with but the transaction was completed, does the			

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**GAMES/CAGE DEPARTMENTS**

	<u>Yes</u>	<u>No</u>	<u>W/P Ref.</u>
licensee attempt to obtain the necessary information and identity credential from the patron?	_____	_____	_____
50. If an identity credential is not obtained, is the patron barred from further gaming and a CTRC-N prepared, all in accordance with Regulation 6A.030(7)?	_____	_____	_____
51. For purposes of barring the patron, is the description (and name, if known) of the patron communicated to all personnel in security, gaming or gaming related areas, the accounting department and affiliates?	_____	_____	_____
<u>52.</u> Does the handler of the transaction sign the CTRC-N prior to transmitting the CTRC-N to the accounting department?	_____	_____	_____
53. Are the forms sent to the accounting department within 24 hours after the end of the designated 24-hour period.?	_____	_____	_____

**SARC**

54. Are SARC forms available to all departments which may encounter suspicious transactions?	_____	_____	_____
<u>55.</u> Are SARC forms completed in accordance with Regulation 6A.100 and contain all the relevant information requested on the form?	_____	_____	_____
56. Is a completed SARC considered a confidential document pursuant to Regulation 6A.100(6)?	_____	_____	_____
57. Is the patron not informed that a report was completed pursuant to Regulation 6A.100(6)?	_____	_____	_____
<u>58.</u> Is a copy of a completed SARC retained, along with all supporting documentation, in chronological order?	_____	_____	_____
<u>59.</u> Is a copy of a completed SARC readily available for examination by appropriate regulatory and law enforcement agencies?	_____	_____	_____

**SARC Procedures**

60. When an employee determines that a possible suspicious

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**GAMES/CAGE DEPARTMENTS**

	<u>Yes</u>	<u>No</u>	<u>W/P Ref.</u>
transaction has occurred, is the suspicious activity analyst notified?	_____	_____	_____
61. Does the licensee's submitted system of internal control indicate the procedures in identifying and reporting suspicious transactions to the applicable departments?	_____	_____	_____
62. For suspicious transactions, do appropriate personnel complete a SARC within 24 hours once the transaction is considered suspicious?	_____	_____	_____
63. Is the SARC forwarded to the accounting department within 24 hours of the completion of the form?	_____	_____	_____

***Gaming, Safekeeping or Front Money Deposits***

**Question 64 through 74 are only applicable to cage department (including race/sports books).**

64. Does the cage employee, for all gaming, front money or safekeeping deposit and withdrawal cash transactions greater than \$3,000, record the transaction on a receipt form in accordance with Minimum Internal Control Standards and in accordance with Regulation 6A.020(7)?	_____	_____	_____
65. If funds are physically segregated, is an indication of such recorded on the receipt form?	_____	_____	_____
<b>Note: The above question also applies to any deposits made in foreign currency.</b>			
66. Is the nature of any noncash deposit documented on the receipt form?	_____	_____	_____
67. Is the method or methods used to accommodate deposits (i.e., physically segregating or recording the denomination and number of bills) described in the system of internal control submitted to the Board?	_____	_____	_____
68. When a patron's cash deposit is transferred to a licensee's affiliate, is the denomination and the number of bills of each denomination of the cash deposited communicated to the affiliate?	_____	_____	_____

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**GAMES/CAGE DEPARTMENTS**

	<u>Yes</u>	<u>No</u>	<u>W/P Ref.</u>
69. When a cash deposit transfer is received from an affiliate, for all full and partial returns of each deposit, does the licensee return to the patron only cash of the same denominations and no more than the same number of bills of each denomination as was deposited?	_____	_____	_____
70. When a cash deposit is received from an affiliate, are the denominations and the number of bills of each denomination of the cash returned, recorded and communicated to the transferring licensee?	_____	_____	_____
71. If the cash deposit is verified gaming winnings, is this fact documented on the receipt form (e.g., slot jackpot, keno ticket, etc.)?	_____	_____	_____
72. For the cash deposit to be considered gaming winnings, do the cash winnings remain within the sight of a casino employee between the time paid and the time deposited?	_____	_____	_____
73. Is this employee's name recorded on the receipt?	_____	_____	_____
74. Are cage personnel aware that a cash deposit is not considered put at risk by the issuance of a marker and thus not be treated as verified gaming winnings for the purposes of obtaining a check?	_____	_____	_____

***Other Procedures***

**Question 75 through 77 are only applicable to cashiers (including race/sports books) and slots.**

75. If a patron is issued a check or other negotiable instrument, or the licensee initiates a transfer of funds for the patron's benefit in exchange for verified cash gaming winnings (e.g., slot jackpot, keno ticket, etc.), have the cash winnings remained within the sight of the casino employee between the time paid and the time delivered to the cage (or other appropriate place) for the processing of the exchange and, if applicable, transfer documentation pursuant to Regulation 6A.080 is maintained, so that the issuance of the check is in accordance with Regulation 6A.020?	_____	_____	_____
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**Note 1: For situations where a patron redeems chips for cash and then the patron requests a check, negotiable instrument or transfer of funds, the above question**



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**GAMES/CAGE DEPARTMENTS**

	<u>Yes</u>	<u>No</u>	<u>W/P</u> <u>Ref.</u>
applies.			
<b>Note 2: If eventually paid via check or transfer and the cash remains under the control or sight of the licensee, the payment of winnings (or redemption of chips) will be considered a noncash transaction; accordingly, the reporting and logging requirements are not applicable.</b>			
76. If a patron is issued a check or other negotiable instrument, or the licensee initiates a transfer of funds for the patron's benefit in exchange for a withdrawal of funds from a race/sports book account, does the withdrawal consist of amounts verified to have been substantially accumulated by the patron through winning wagers and where any cash deposits to the account have been substantially (i.e., at least 75%) placed at risk by the patron and, if applicable, is transfer documentation pursuant to Regulation 6A.080 maintained so that the issuance of the check is in accordance with Regulation 6A.020?	_____	_____	_____
<b>Note 1: A consistent cash flow inventory method (e.g., first in, first out) is used to determine if deposits have been placed at risk. The same method is used for all patrons.</b>			
<b>Note 2: If a patron's gaming account functions in the same manner as a race/sports book account whereby the account balance is reduced for wagers made, then question 76 applies to that account.</b>			
77. If the licensee issues a check or other negotiable instrument, or the licensee initiates a transfer of funds for the patron's benefit pursuant to questions 75 and 76, is documentation as to how the verification was made created and maintained (e.g., the name of the employee representing that the cash had been won by the patron and the name of the employee who had the cash remain in their sight between the time the cash was paid and the time delivered to the cage for the issuance of a check; a printout of the patron's account activity and the name of the employee attesting that any deposits had been risked; etc.) in addition to routine supporting documentation for a disbursement?	_____	_____	_____

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**GAMES/CAGE DEPARTMENTS**

	<u>Yes</u>	<u>No</u>	<u>W/P Ref.</u>
<b>Note: If player rating records are used to support such a verification, those particular player rating records are retained.</b>			
78. For games other than table games, card games, and slot machines, when a patron makes a noncash wager greater than \$3,000, is documentation of the nature of each of these wagers made and maintained?	_____	_____	_____
79. For games other than table games, card games, and slot machines, when a patron is paid greater than \$3,000 for a winning wager in a form other than cash, is documentation of the nature this payout made and maintained?	_____	_____	_____
80. For chip/token redemptions of more than \$3,000, if the patron's name is not known, is the applicable gaming area contacted to inquire if the patron's name is available?	_____	_____	_____



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**ACCOUNTING DEPARTMENT**

	<u>Yes</u>	<u>No</u>	<u>W/P Ref.</u>
a. Ensuring that prohibited transactions pursuant to Regulation 6A.020 do not occur?	_____	_____	_____
b. Properly recording all transactions that fall under the criteria of Regulation 6A on the appropriate forms and logs and in the manner prescribed by the 6A MICS?	_____	_____	_____
c. Making a diligent effort to prevent the circumvention of the prohibitions of Regulation 6A.020 or the reporting and recordkeeping requirements of Regulation 6A.030 by multiple transactions in a designated 24-hour period?	_____	_____	_____
d. Being familiar with what is considered a suspicious transaction and with SARC reporting procedures?	_____	_____	_____
e. Having knowledge of Regulation 6A and the 6A MICS?	_____	_____	_____

***Procedures***

2. Do accounting department personnel:

a. Receive CTRC-N's, SARC's and MTL's from the various departments and ensure that MTL's are received from all monitoring areas in accordance with established deadlines?	_____	_____	_____
b. Review all documents for compliance with Regulation 6A and the 6A MICS?	_____	_____	_____
c. Review MTL's to ensure that CTRC-N's were completed for all reportable transactions within a singular monitoring area?	_____	_____	_____
d. Review CTRC-N's and SARC's for the recording of patron's social security number?	_____	_____	_____
e. Review all available patron records to obtain the patron's social security number?	_____	_____	_____
f. If any Nevada affiliate or branch office has the information, is the number recorded on the form prior to submission?	_____	_____	_____
<u>g.</u> Document instances of noncompliance and attempt to obtain any missing information?	_____	_____	_____

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**ACCOUNTING DEPARTMENT**

	<u>Yes</u>	<u>No</u>	<u>W/P Ref.</u>
h. All exceptions discovered through this accounting review are forwarded to appropriate personnel?	_____	_____	_____
<u>i.</u> Sign, where applicable, reports attesting to their review and remit CTRC-N's and SARC's in accordance with Regulations 6A.030 and 6A.100?	_____	_____	_____
<u>j.</u> File a copy of each CTRC-N and SARC and the original MTL's in chronological order?	_____	_____	_____
<u>k.</u> Are such documents readily available for examination by appropriate regulatory and law enforcement agencies?	_____	_____	_____
l. Remit copies of completed SARC's to the suspicious activity analyst?	_____	_____	_____
3. Are accounting department personnel performing the accounting procedures noted in question 2 independent of the generation of the documents being examined?	_____	_____	_____
4. If employees from a department other than the accounting department perform the procedures in question 2, are those employees independent of the generation of the documents being examined?	_____	_____	_____
5. On a routine basis, do accounting personnel ensure that Regulation 6A documents and related documents, including those required by Regulation 6A and the 6A MICS, are properly maintained?	_____	_____	_____

***Regulation 6A.050(2)(f) Recordkeeping  
Requirements***

<u>6.</u> Are records of all gaming, safekeeping, or front money deposits and withdrawals retained for five years?	_____	_____	_____
<u>7.</u> Are records to support all transactions regarding a patron's credit issuances, payments or settlements of gaming debts maintained?	_____	_____	_____
<u>8.</u> Are records to detail the components of every deposit made to a financial institution created and maintained?	_____	_____	_____

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**ACCOUNTING DEPARTMENT**

	<u>Yes</u>	<u>No</u>	<u>W/P Ref.</u>
<b><u>9.</u></b> Do the records contain enough detail in order to reconcile and match the components of a total deposit with a bank with the detail contained in other required records?	_____	_____	_____
<b><u>10.</u></b> Is documentation created and maintained of any checks accepted for the purchase of over \$3,000 worth of chips, tokens, gaming instrumentalities, or any other noncash item?	_____	_____	_____
<b><u>11.</u></b> Is a record of all checks and negotiable instruments accepted in an amount greater than \$3,000 maintained in one of the following forms:			
a. Photocopies of both sides of checks and negotiable instruments? or	_____	_____	_____
b. Optical scan of both sides of checks and negotiable instruments? or	_____	_____	_____
c. Microfilm of both sides of checks and negotiable instruments?	_____	_____	_____
<b><u>12.</u></b> If a check or a negotiable instrument is presented for the purpose of receiving cash and the presenter is someone other than the drawer of the instrument, are records maintained which include the patron's name, address and a description of the identification credential obtained?	_____	_____	_____
<b><u>13.</u></b> Are records maintained to support all transactions regarding the issuance of a check or other negotiable instrument, or transfer of funds, for an amount greater than \$3,000, in exchange for a check, negotiable instrument or a transfer of funds?	_____	_____	_____
<b><u>14.</u></b> Is the patron's name, address and description of the identification credential included in the record?	_____	_____	_____
<b><u>15.</u></b> Do the records include documentation of the purpose of the transaction and a photocopy, optical scan or microfilm copy of both sides of any check or negotiable instrument received?	_____	_____	_____

***Regulation 6A.080 Recordkeeping Requirements***

- 16.** For a wire transfer out, are records retained that include the following information which was sent with the wire request to the bank:

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**ACCOUNTING DEPARTMENT**

	<u>Yes</u>	<u>No</u>	<u>W/P Ref.</u>
a. The name of the patron?	_____	_____	_____
b. The patron's account number?	_____	_____	_____
c. The patron's address?	_____	_____	_____
d. The casino's name?	_____	_____	_____
e. The amount of the patron's transfer?	_____	_____	_____
f. The date of request?	_____	_____	_____
g. The name of the bank which will receive the transfer (recipient's financial institution)?	_____	_____	_____
h. The name of the person to receive the transfer (recipient)?	_____	_____	_____
i. The recipient's address?	_____	_____	_____
j. The recipient's account number?	_____	_____	_____
<b>17.</b> For a wire transfer in for a patron, does the licensee retain the information received with the wire documentation from the bank and any documentation of the patron's identity?	_____	_____	_____

***Issuance of Checks, Negotiable Instruments or  
Transfer of Funds***

**If the accounting department issues checks or any other negotiable instruments, and/or performs any electronic or wire transfers, then questions 18 through 20 are applicable.**

18. If a patron is issued a check or other negotiable instrument, or the licensee initiates a transfer of funds for the patron's benefit in exchange for verified cash gaming winnings (e.g., slot jackpot, keno ticket, etc.), have the cash winnings remained within the sight of the casino employee between the time paid and the time delivered to the cage (or other appropriate place) for the processing of the exchange and, if applicable, transfer documentation pursuant to Regulation 6A.080 is maintained so that the issuance of the check is in accordance with Regulation 6A.020?	_____	_____	_____
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	<u>Yes</u>	<u>No</u>	<u>W/P</u> <u>Ref.</u>
<b>Note 1:</b> For situations where a patron redeems chips for cash and then the patron requests a check, negotiable instrument or transfer of funds, the above question applies.			
<b>Note 2:</b> If eventually paid via check or transfer and the cash remains under the control or sight of the licensee, the payment of winnings (or redemption of chips) will be considered a noncash transaction; accordingly, the reporting and logging requirements are not applicable.			
19. If a patron is issued a check or other negotiable instrument, or the licensee initiates a transfer of funds for the patron's benefit in exchange for a withdrawal of funds from a race/sports book account, does the withdrawal consist of amounts verified to have been substantially accumulated by the patron through winning wagers and where any cash deposits to the account have been substantially (i.e., at least 75%) placed at risk by the patron and, if applicable, is transfer documentation pursuant to Regulation 6A.080 maintained so that the issuance of the check is in accordance with Regulation 6A.020?	_____	_____	_____
<b>Note 1:</b> A consistent cash flow inventory method (e.g., first in, first out) is used to determine if deposits have been placed at risk. The same method is used for all patrons.			
<b>Note 2:</b> If a patron's gaming account functions in the same manner as a race/sports book account whereby the account balance is reduced for wagers made, then question 19 applies to that account.			
20. If the licensee issues a check or other negotiable instrument, or the licensee initiates a transfer of funds for the patron's benefit pursuant to questions 18 and 19, is documentation as to how the verification was made created and maintained (e.g., the name of the employee representing that the cash had been won by the patron and the name of the employee who had the cash remain in their sight between the time the cash was paid and the time delivered to the cage for the issuance of a check; a printout of the patron's account activity and the name of the employee attesting that any deposits had been			



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	<u>Yes</u>	<u>No</u>	<u>W/P</u> <u>Ref.</u>
risked; etc.) in addition to routine supporting documentation for a disbursement?	_____	_____	_____

**Note: If player rating records are used to support such a verification, those particular player rating records are retained.**

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**SPECIALISTS**

**Client** \_\_\_\_\_ **Audit** \_\_\_\_\_ **Prepared**  
**Name:** \_\_\_\_\_ **Period:** \_\_\_\_\_ **By:** \_\_\_\_\_

NGC Regulation 6A.060(2) requires the CPA to use “criteria established by the chairman” in determining whether a licensee is in compliance with Regulation 6A and the Currency Transaction Reporting Minimum Internal Control Standards (6A MICS). This checklist is to be used by the CPA in determining whether the licensee’s operations are in compliance with those requirements.

**Indicate licensee personnel contacted:**

Date of Inquiry	Person Interviewed	Position

For those questions referring to records/documentation (denoted by underlined question numbers in bold print), examine a completed document for compliance. Indicate (by tickmark) whether the procedures were confirmed via examination/review of documentation, through inquiry of licensee personnel or via observation of procedures. Tickmarks used:

\_\_\_\_\_ Confirmed via examination/review  
\_\_\_\_\_ Confirmed via inquiry  
\_\_\_\_\_ Confirmed via observation

Yes      No      W/P  
   Ref.

***Compliance Specialist***

1. Does the compliance specialist so designated pursuant to Regulation 6A.060(4):
  - a.** Ensure that Regulation 6A procedure manuals or other

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**SPECIALISTS**

	<u>Yes</u>	<u>No</u>	<u>W/P Ref.</u>
appropriate documentation are in place and available to employees for reference purposes when needed?	_____	_____	_____
b. Ensure that a training program is established, maintained and is effective?	_____	_____	_____
c. Ensure that the system of internal control relative to Regulation 6A is established, maintained and is effective?	_____	_____	_____
d. Review and evaluate any and all Regulation 6A exceptions and areas of noncompliance including reviewing internal audit, independent accountant, and Gaming Control Board findings?	_____	_____	_____
<u>e.</u> Document and maintain any associated follow-up for Board review?	_____	_____	_____
2. If the compliance specialist has other job duties, is he not responsible for performing gaming department procedures except for those associated with SARC-N procedures as specified in this checklist?	_____	_____	_____

***Suspicious Activity Analyst***

3. Is an individual designated to oversee the reporting of suspicious transactions?	_____	_____	_____
4. Does the suspicious activity analyst review each possible suspicious transaction and assist in determining whether a suspicious transaction has occurred?	_____	_____	_____

***Training***

5. Is a training program established and maintained to instruct employees as to the requirements of Regulation 6A, the 6A MICS, and the licensee's 6A system of internal control?	_____	_____	_____
6. Is a training coordinator established who oversees the training program? <b>State who performs the training coordinator function.</b>	_____	_____	_____

**Note: The training coordinator may have other job duties and the compliance specialist may function in this capacity.**

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**SPECIALISTS**

	<u>Yes</u>	<u>No</u>	<u>W/P Ref.</u>
7. Are records maintained to document when training was provided, which employees received the training and the content of the training session?	_____	_____	_____
8. Do employees receive at least limited training commensurate with job responsibilities before they are permitted to function in any capacity where the possibility exists that they will encounter a Regulation 6A reporting or recordkeeping requirement or a prohibited transaction?	_____	_____	_____
9. Do accounting department employees receive at least limited training before they are permitted to function in any capacity that entails performing Regulation 6A related procedures?	_____	_____	_____
10. Is training ongoing, and provided in accordance with questions 13 and 14 at least once a year for:			
a. Each employee that functions in any capacity where the possibility exists that they will encounter a Regulation 6A reporting or recordkeeping requirement or a prohibited transaction?	_____	_____	_____
b. Each accounting department employee that functions in any capacity that entails performing Regulation 6A related procedures?	_____	_____	_____
11. Do internal audit department employees placed in new positions receive training before they are permitted to perform any internal audit procedures relative to Regulation 6A?	_____	_____	_____
12. Do internal audit department employees performing procedures relative to Regulation 6A receive training at least once every business year?	_____	_____	_____
13. Does the training for all employees include:			
<u>a.</u> Presenting materials such as a copy of Regulation 6A, the 6A MICS, a CTRC-N, a SARC, suspicious transaction guidelines (if adopted by the licensee), an MTL, and any appropriate procedure manuals? <b>Describe or detail the materials.</b>	_____	_____	_____
b. Explanations as to the purpose of each Regulation 6A document and how each document is used?	_____	_____	_____

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**SPECIALISTS**

	<u>Yes</u>	<u>No</u>	<u>W/P Ref.</u>
c. Explanations of prohibited transactions (Regulation 6A.020), loggable transactions, reportable transactions and suspicious transactions, and reviewing the duties, responsibilities and procedures associated with each employee's position?	_____	_____	_____
d. Reviewing the use of MTL's?	_____	_____	_____
e. Explanation of the procedures for gaming, safekeeping or front money deposits?	_____	_____	_____
f. Reviewing the definition of a patron?	_____	_____	_____
g. Reviewing the proper completion of a CTRC-N and a SARC?	_____	_____	_____
h. Reviewing the definition of "known patron" and when "known patron - information on file" may be used on a CTRC-N?	_____	_____	_____
i. Reviewing the documentation and the records that need to be created and maintained relative to Regulation 6A?	_____	_____	_____
j. Explanations of the consequences of noncompliance with Regulation 6A?	_____	_____	_____
14. Is training specific to an employee's job duties and responsibilities relative to Regulation 6A?	_____	_____	_____

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**INTERNAL AUDIT DEPARTMENT**

**Client** \_\_\_\_\_ **Audit** \_\_\_\_\_ **Prepared**  
**Name:** \_\_\_\_\_ **Period:** \_\_\_\_\_ **By:** \_\_\_\_\_

NGC Regulation 6A.060(2) requires the CPA to use “criteria established by the chairman” in determining whether a licensee is in compliance with Regulation 6A and the Currency Transaction Reporting Minimum Internal Control Standards (6A MICS). This checklist is to be used by the CPA in determining whether the licensee’s operations are in compliance with those requirements.

**Indicate licensee personnel contacted:**

Date of Inquiry	Person Interviewed	Position

For those questions referring to records/documentation (denoted by underlined question numbers in bold print), examine a completed document for compliance. Indicate (by tickmark) whether the procedures were confirmed via examination/review of documentation, through inquiry of licensee personnel or via observation of procedures. Tickmarks used:

\_\_\_\_\_ Confirmed via examination/review  
\_\_\_\_\_ Confirmed via inquiry  
\_\_\_\_\_ Confirmed via observation

- |  |            |           |                           |
|--|------------|-----------|---------------------------|
|  | <u>Yes</u> | <u>No</u> | <u>W/P</u><br><u>Ref.</u> |
| 1. Are internal audit procedures performed to determine compliance with the provisions of Regulation 6A and the provisions of the 6A MICS, and include at a minimum: |            |           |                           |
| a. Quarterly reviews of established procedures in effect for all   |            |           |                           |

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**INTERNAL AUDIT DEPARTMENT**

	<u>Yes</u>	<u>No</u>	<u>W/P</u> <u>Ref.</u>
departments?	_____	_____	_____
b. An annual examination of all types of documents prepared pursuant to Regulation 6A and the 6A MICS?	_____	_____	_____
<b>Note: Either business or calendar quarters/years may be used. The type of quarters/years used is delineated within the system of internal control submitted to the Board.</b>			
2. Do procedures for the quarterly reviews include:			
a. Compliance walk-throughs of those departments where Regulation 6A transactions may occur, including interviews with employees who handle cash transactions, and are performed for all three shifts (rotated throughout the year)?	_____	_____	_____
b. Examination of available Regulation 6A documentation including CTRC-N's, SARC's, and MTL's?	_____	_____	_____
c. General observations?	_____	_____	_____
d. Sufficient procedures to address compliance with the following requirements:			
1) Prohibited transactions as described in Regulation 6A.020 for all monitoring areas?	_____	_____	_____
2) Regulation 6A.020 requirements for all casino departments that accept gaming, front money, or safekeeping deposits (including telephone accounts)?	_____	_____	_____
3) Identification and reporting procedures for reportable transactions that may occur as the result of single, multiple and/or dissimilar transactions?	_____	_____	_____
<b>Note: If in the preceding business year a particular branch office had more than \$1,000,000 of cash transactions (both cash-in and cash-out transactions combined), then the internal audit department is required to perform a walk-through of that branch office only once (instead of quarterly) in either that business year or the following business year. No walk-throughs are required for those branch offices that had \$1,000,000 or less of cash transactions in the preceding business year.</b>			
3. Do annual examinations include:			

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**INTERNAL AUDIT DEPARTMENT**

	<u>Yes</u>	<u>No</u>	<u>W/P</u> <u>Ref.</u>
a. Examinations of Regulation 6A documentation including CTRC-N's, SARC's, and MTL's with testing done on a sample basis, with the sample including documents from each quarter?	_____	_____	_____
b. Examinations of casino records other than Regulation 6A documentation (e.g., safekeeping/front money records, cage/vault documentation, bank deposit records, credit play records, slot payout tickets, keno tickets, race/sports tickets for write and payouts, cash receipts/disbursements, etc.) on a sample basis to determine whether :			
1) CTRC-N's were completed and filed for all reportable transactions?	_____	_____	_____
2) SARC's were completed and filed for all transactions that were classified as suspicious transactions?	_____	_____	_____
3) The information contained within the CTRC-N's and SARC's was complete?	_____	_____	_____
4) Prohibited transactions (Regulation 6A.020) have/have not occurred?	_____	_____	_____
c. An evaluation of the established system of internal control and the procedures in effect?	_____	_____	_____
<b><u>4.</u></b> Is the performance and the results of the above internal audit procedures documented.?	_____	_____	_____
<b><u>5.</u></b> Are all exceptions documented and forwarded to management (i.e., owners, board of directors, etc.) of the organization and to the department heads of those departments responsible for the noncompliance?	_____	_____	_____
6. Are personnel performing internal audit work also responsible for determining the corrective action taken for exceptions noted and documenting such findings?	_____	_____	_____
7. Are internal audit procedures completed by those employees (or employees from affiliates) designated to perform such duties and who are independent of the functions being examined?	_____	_____	_____
8. Does the internal audit department perform the following job duties:			



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**INTERNAL AUDIT DEPARTMENT**

	<u>Yes</u>	<u>No</u>	<u>W/P</u> <u>Ref.</u>
a. Compliance specialist functions?	_____	_____	_____
b. Suspicious activity analyst?	_____	_____	_____
c. Training functions?	_____	_____	_____
9. Relating to the previous question, if an internal audit employee performs any of these job duties, does another employee independent of the procedures perform an internal audit review of these functions?	_____	_____	_____

**Other Procedures**

**The Minimum Internal Control Standards allow the Board to publish checklists, programs and guidelines as a supplement to the internal audit 6A MICS. If such supplements are adopted, the following is required:**

10. Are the internal audit procedures performed in compliance with the checklists, programs and guidelines published by the Board as a supplement to the internal audit 6A MICS?	_____	_____	_____
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